

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TENNESSEE  
WESTERN DIVISION**

**UNITED STATES OF AMERICA,**

**Plaintiff,**

**vs.**

**GREGORY E. BROWN,**

**Defendant.**

**Criminal No.:** 12-20362-S1A

**29 U.S.C. § 501(c)**

**INDICTMENT**

**THE GRAND JURY CHARGES:**

**COUNT ONE**

**(EMBEZZLEMENT AND THEFT OF LABOR UNION ASSETS)**

At all times relevant herein:

1.

Local Union 777 of the United Steelworkers AFL-CIO (hereinafter, "Local 777"), located in Millington, Tennessee, was a "labor organization" for purposes of the Labor-Management Reporting and Disclosure Act of 1959 ("LMRDA") governing labor unions, and as that term is defined in Title 29, United States Code, Sections 402(i) and (j). Local 777 is subject to the International Union Constitution of the United Steelworkers AFL-CIO-CLC and the bylaws of Local 777.

2.

Local 777 had a collective bargaining agreement with Tradebe Environmental Services, LLC ("Tradebe") in Millington, Tennessee, a hazardous waste recycling company engaged in business affecting interstate commerce. Local 777's membership consisted solely of Tradebe employees.

3.

The defendant, **GREGORY E. BROWN**, was an officer of Local 777, that is, Treasurer, from 2009 through about March 2010. He was also a Tradebe employee during this time.

4.

Pursuant to Section 501(a) of the LMRDA, "officers, agents, shop stewards, and other representatives of a labor organization occupy positions of trust in relation to such organization and its members as a group."

5.

In his capacity as Treasurer of Local 777, the defendant, **GREGORY E. BROWN**, occupied a position of trust in relation to Local 777 and its members as a group and was subject to the fiduciary duties set forth in Title 29, United States Code, Section 501(a) including: (1) to hold its money and property solely for the benefit of the organization and its members and to manage, invest, and expend the same in accordance with its constitution and bylaws and any resolutions of the governing bodies adopted thereunder; (2) to refrain from dealing with such organization as an adverse party or in behalf of an adverse party in any matter connected with his duties and from holding or acquiring any pecuniary or personal interest which conflicts with the interests of such organization; and (3) to account to the organization for any profit received by him in whatever capacity in connection with transactions conducted by him or under his direction on behalf of the organization.

6.

Further, as an officer of Local 777, the defendant, **GREGORY E. BROWN**, was subject to the International Union Constitution of the United Steelworkers AFL-CIO-CLC and to the bylaws of Local 777.

7.

Beginning on or about November 6, 2009, and continuing through on or about March 3, 2010, in the Western District of Tennessee, the defendant,

-----**GREGORY E. BROWN**-----

while he was an officer, to wit: Treasurer, of United Steelworkers AFL-CIO Local 777, a labor organization engaged in an industry affecting commerce, did embezzle, steal, and unlawfully and willfully abstract and convert to his own use the moneys, funds, securities, property, and other assets of United Steelworkers AFL-CIO Local 777 in the approximate amount of \$6,587.57; all in violation of Title 29, United States Code, Section 501(c).

**A TRUE BILL**

S/Grand Jury Foreperson

**FOREPERSON**

DATE DECEMBER 18, 2012



**EDWARD L. STANTON III**  
**UNITED STATES ATTORNEY**